

## Message Text

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62

ACTION L-03

INFO OCT-01 NEA-10 ISO-00 JUSE-00 COME-00 EB-07 TRSE-00

CIAE-00 INR-07 NSAE-00 SS-15 NSC-05 /048 W

----- 056463

R 281600Z APR 76

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 4551

LIMITED OFFICIAL USE JIDDA 3074

FOR L/PM

E.O. 11652: N/A

TAGS: PGOV, PFOR

SUBJECT: CABINET TASK FORCE ON QUESTIONABLE PAYMENTS ABROAD: FOREIGN

LAWS ON QUESTIONABLE PAYMENTS

REF: STATE 94647

1. ANSWER TO REFTEL FOLLOW:

(A) NO LEGISLATION AS SUCH. HOWEVER, IN THE PAST VARIOUS ROYAL EDICTS HAVE BEEN ISSUED AGAINST BRIBERY, EXTORTION AND INFLUENCE-PEDDLING.

(B) NO.

(C) YES. A RECENT EDICT BANNING THE PAYMENT TO AGENTS FOR SERVICES CONCERNING ARMS SALES WAS ISSUED IN SEPTEMBER OF LAST YEAR. HOWEVER, THIS EDICT ONLY APPLIES TO SALES OF ARMS AND THE ISSUE OF THE USE OF AGENTS IN OTHER GOVERNMENT CONTRACTS HAS NOT BEEN SPECIFICALLY ADDRESSED. ANOTHER REGULATION OF LONGER STANDING PROHIBITS THE EMPLOYMENT OF NON-SAUDIS AS AGENTS IN THE KINGDOM.

(D) NO. THERE ARE NO POLITICAL PARTIES OR ELECTIONS

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IN THE KINGDOM.

(E) NO.

(F) NO. THE PRINCIPLE OF LAISSEZ-FAIRE RULES IN THE PUBLIC  
SECTOR OF THE KINGDOM.

2. SUMMARY OF AGENTS FEE BAN FOR DEFENSE GOODS AND  
SERVICES (ITEM C) FOLLOWS: "NO FIRM HOLDING DEFENSE  
CONTRACT WITH SAG IS ALLOWED TO PAY AGENTS FEES TO ANY  
MEDIATOR, SALES AGENT, REPRESENTATIVE, ETC., REGARDLESS  
OF THEIR NATIONALITY. SAG DOES NOT RECOGNIZE ANY AGENTS  
FEES AGREEMENT FORMERLY CONCLUDED BY SUCH FIRMS WHETHER  
CONTRACT IS BETWEEN SAG AND FIRM OR THROUGH THE MEDIATION  
OF ANOTHER GOVERNMENT."

3. EMBASSY WILL FORWARD FULL TEXT BY POUCH. FULL  
TEXTS OF OTHER EDICTS ALLUDED TO ABOVE ARE NOT NOW  
AVAILABLE TO EMBASSY. WE WILL POUCH TEXTS  
AS SOON AS WE RECEIVE THEM.  
PORTER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CABINET, BRIBERY, COMMITTEES, BUSINESS FIRMS, FOREIGN INVESTMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 APR 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** coburnhl  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976JIDDA03074  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760164-0188  
**From:** JIDDA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760412/aaaaajho.tel  
**Line Count:** 80  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION L  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 STATE 94647  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** coburnhl  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 JUN 2004 by ElyME>; APPROVED <04 NOV 2004 by coburnhl>  
**Review Markings:**

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EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CABINET TASK FORCE ON QUESTIONABLE PAYMENTS ABROAD: FOREIGN LAWS ON QUESTIONABLE PAYMENTS  
**TAGS:** PGOV, PFOR, SA  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006